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December 12, 1994



STATE OF CALIFORNIA

**STATE BOARD OF EQUALIZATION**

LEGAL DIVISION (MIC:82)  
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TELEPHONE (916) 324-2579  
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December 30, 1994

Re: Transfer of Adjusted Base Year Value/Acquisition of  
Replacement Property

Dear Mr. :

This is in furtherance of our December 12, 1994, letter to you concerning , a General Partnership, its sale of its , California, mobilehome park to the City of Redevelopment Agency, and its purchase of a , California, multi-residential replacement property. Based on the analysis therein, including the assumption that the provisions of Property Tax Rule 462.5, subdivision (c)(1) were satisfied, we concluded that both the replaced property and the replacement property were similar in size, utility, and function, within the meaning of Rule 462.5, subdivision (c), including the full cash value - 120 percent of the award or purchase price comparison and, thus, the adjusted base year value of the replaced property could be transferred to the replacement property.

Property Tax Rule 462.5, subdivision (c)(1) provides that:

"(c) **COMPARABILITY.** Replacement property, acquired by

December 30, 1994

a person displaced under circumstances enumerated in (a), shall be deemed comparable to the replaced property if it is similar in size, utility, and function.

(1) Property is similar in function if the replacement property is subject to similar governmental restrictions, such as zoning."

In your December 15, 1994, letter in response, you advised that the mobilehome park had been zoned RM-Residential Mobilehome and that the multi-residential replacement property is zoned RM-Residential Multifamily. Based upon the information provided, it appears that the replacement property is subject to similar governmental restrictions and the provisions of Rule 462.5, subdivision (c)(1) are satisfied. As such is a matter which ultimately falls within the province of the County Assessor's Office, however, we are forwarding a copy of your letter to that Office for its review and determination. We suggest that you consult the County Assessor's Office in order to ascertain whether it too considers the provisions of Rule 462.5, subdivision (c)(1) satisfied in this instance, or if it does not consider them satisfied, why it does not.

Our intention is to provide timely, courteous and helpful responses to inquiries such as yours. Suggestions that help us to accomplish this goal are appreciated.

Very truly yours,

/s/ Luma G. Serrano

Luma G. Serrano  
Staff Counsel

LGS:jd  
precednt/emdomain/94007.lgs

cc: Hon. \_\_\_\_\_, (w/attach.)  
County Assessor

Mr. John W. Hagerty, MIC:63  
Chief, Assessment Standards Division, MIC:64  
Ms. Jennifer Willis, MIC:70